



News Release

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Office of Inspector General
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For Release

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FORMER BOEING EMPLOYEE AND OWNER OF MARYLAND ELECTRONICS BUSINESS INDICTED IN BID RIGGING, MONEY LAUNDERING AND KICKBACK CONSPIRACY

On February 17, 2000, William Powell, a former employee of Boeing Information Services (Boeing), Vienna, VA and Lawrence Seiler, former owner of Eastern Tech Manufacturing (ETM), Columbia, MD, a government contractor, were indicted by a federal grand jury for their participation in a bid rigging, money laundering, and kickback conspiracy against the National Aeronautics and Space Administration (NASA). The grand jury indictment charged Powell and Seiler with conspiracy to commit wire fraud, 12 individual counts of wire fraud, 19 counts of money laundering, and 12 counts of payment of illegal kickbacks. Powell is also charged with 9 additional counts of receiving illegal kickbacks. In addition, the indictment alleged a criminal forfeiture against both men of \$1,289,485.

The indictment alleged that from February, 1996, until December, 1998, Powell and Seiler conspired to rig bids for computer equipment and committed multiple acts of theft, wire fraud, money laundering, and payment of kickbacks to carry out their scheme. Their collective goal was to obtain federal funds by rigging bids and by presenting over \$1,289,000 in fraudulent and inflated claims to NASA for information technology and services.

Powell was employed as a Buyer for Boeing in Vienna, VA. In that capacity, Powell was responsible for purchasing information goods and services on behalf of NASA. In 1994, NASA awarded a substantial information services and technology contract to Boeing, which NASA administered from its headquarters in Washington, D.C. ETM was an electronics assembly business and was a vendor/subcontractor that

Powell used for numerous Boeing purchase orders. Seiler, on behalf of ETM, submitted quotes to Powell at Boeing and provided equipment pursuant to the NASA contract.

Neither Boeing Information Services, or its successor, Science Applications International Corporation (SAIC), were charged with any wrongdoing and both companies are cooperating with the investigation.

If convicted, Powell and Seiler each face a maximum of 20 years in prison and a fine of \$500,000.

The investigation was conducted by Special Agents of the NASA Office of Inspector General, Office of Criminal Investigations, the Federal Bureau of Investigation and the Naval Criminal Investigative Service. The prosecution is being handled by Assistant United States Attorney Steven J. Durham, District of Columbia, Washington, D.C. (202) 514-8316.

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